



**MISSOURI
DEPARTMENT OF
NATURAL RESOURCES**

**Industrial Kitchen Cabinet
Notes of the October 30, 2012 meeting**

Guests: Tom Gredell, Emily Schwartz-Post, Roger Walker, Frank Hackman, Todd Tolbert, David Shanks, Troy Davis, Gene Schmittgens, Barry Hart, Dave Overfelt

Director Sara Parker Pauley greeted the guests and explained her goal for the Kitchen Cabinets is to provide a forum for discussion on how the department could continue to improve its services to our diverse partners and constituencies. She encouraged an open discussion and explained that she had asked for very broad representation from the department to be able to answer any questions that arose while proving time for informal discussions.

She then discussed a few of the initiatives that are focused on improving services while enhancing staff's ability to focus on the important parts of the department's mission. The Our Missouri Watersheds initiative is focused on coordinating efforts to improve water quality across all our programs and division while engaging local citizens and groups in determining what is best in their watershed. She also noted the Enhancing Science and Technology initiative that is directed toward improving our internal processes, providing better service and expanding the use of science and technology in decision-making.

The meeting was arranged around a set of questions using Turning Point in order to provide immediate responses to general questions. These questions then guided discussion of specific issues raised by the attendees prior to the meeting. Ginny Wallace served as facilitator for the meeting.

Question #1: Which is the most pressing environmental issue for your industry or business?

Responses: Air – 56%; Water quality 22%; Hazardous/Solid Waste 22%; Water Supply; and Other 0%

Individual Topics:

- a. Air Regulation - Much of the discussion centered on the uncertainty of air regulations and non-attainment designations and their impact on businesses. These uncertainties have a negative impact on business, impact customer costs and prevent long-term planning by businesses and utilities.

While it was recognized that Missouri does not control many of these federal regulations, the department was encouraged to be more influential with EPA. Our guests noted that the Air Pollution Control Program was the model for stakeholder involvement and had a history of using a common sense, problem solving approach that was appreciated by industry.

- b. Missouri River – Dru Buntin summarized the latest development on the Missouri River, focusing on potential impacts to the Mississippi River as releases from

Gavins Point Dam (on the border of Nebraska and South Dakota) are reduced in late November. He also mentioned the Allocation studies and the potential impact of water demands related to hydrofracturing on the Missouri River.

- c. Stream Classification – The 1:100,000 scale was recognized as a good start with the need for clarity and an “off ramp” to deal with sites where some changes might be appropriate. The process used to determine the threshold was cited as being very constructive and helpful in building support for whatever is proposed to the Clean Water Commission.
- d. Nutrient Criteria – This was another area where uncertainty is a major concern. The uncertainty in establishing targets, solutions and potential approaches compound the difficulty of planning for nutrient criteria implementation. Ammonia and coming phosphorus limits will require some flexibility and creativity. Tying these standards to Our Missouri Waters Initiative’s common permitting timelines within a watershed would help increase equity in approaches among communities and businesses. The use of nutrient trading and coordination with the Soil and Water Conservation program will provide additional benefits in creating a practical implementation of these standards.
- e. Affordability – The conversation focused on small systems. What approaches might work for small systems and when might it not be appropriate to apply this to a community?
- f. Small Companies – The main issue for small companies is the difficulty in tracking applicable regulations and permit requirements. Many of these companies do not have the staff to track everything that is expected of their companies.

Suggestions included using compliance assistance to help these companies know what needs to be done and doing more outreach through the various business and industrial organizations to inform these companies on issues and expectations. Using an amnesty program to get businesses into compliance would foster a more collaborative approach while achieving the same goals as enforcement.

Question 2: Which part of the regulatory process needs the most improvement?

Responses: Permitting 60%; Technical Assistance 30%; Inspections 10% (Note that there was some confusion as to the definitions of some of these terms and the participants noted that many were of very similar concern.)

Individual Topics:

- a. Technical Assistance: Commonly a problem is found during an inspection rather than before. The department should focus on protecting human health and the environment rather than paperwork deficiencies.
- b. Permits – Some state have stricter permit requirements, but get permits issued more quickly. The participants encouraged the department to use permit by rule and automated, on-line permitting to reduce issuance times. In general, the process is the problem, not the result. The role of some types of construction permits in the Air Program was raised as a specific example of a permit that may be worth eliminating.
- c. Land Disturbance – The department was applauded for developing the on-line permit for land disturbance. The watershed approach will help these be viewed

as fairer. Increasing the predictability of timelines, rules and expectations of controls will reduce conflict between the department and home builders.

A new question has arisen since banks are now selling off subdivisions that failed during the economic downturn a few lots at a time. Lack of clarity in when a permit is necessary and how to treat these developments (judging the whole or only the part sold) has created uncertainty that requires clarification by the department and uniform application of whatever decision is made.

- d. Single Point of Contact – This is very desirable in permitting. There is a general sense of a lack of urgency in permitting by department staff. This is especially worrisome for new permits.
- e. Compliance Assistance – Some guests suggested that this needed to be separate from the environmental regulatory section to be viable. These staff need to have the authority to act to help companies work their way to compliance without enforcement being involved.
- f. Inspections – This is an area of multiple, not unrelated concerns. The idea of focusing on the bigger issues rather than paperwork violations was raised as was a concern about clarity and consistency. Inspectors were viewed as often too rigid because of a lack of clear expectations. One suggestion was to use 100 hour employees to spend time with new inspectors to give the newer employees a better perspective. Multiple business and groups invited us to visit their facilities to help them help our staff understand their perspective and to promote communication. More of our staff were encouraged to go to their meetings and presentation to learn how they work.

Question 3: Which of the following is the most important criterion in environmental regulations?

Responses: Predictability and Practical Implementation 30% each; Cost and Timeliness of decision-making 20% each

Discussion:

- a. Predictability – drives costs, frustration, and timeliness
- b. All of these are inter-related

Question 4: What is the value of streamlined permitting?

Responses: Very beneficial 78%; Beneficial and Somewhat beneficial 11% each.

Discussion:

- a. Expand permit by rule
- b. Use templates for general permits building a general permitting platform.

Question 5: What is the value of creating a single point of contact?

Responses: Somewhat beneficial 44%; Very beneficial 33%; Beneficial 22%;

Question 6: What is the value of clarifying regulations?

Responses: Beneficial 67%; Very beneficial 33%

Question 7: What is the value placed on expedited permit schedules in exchange for a higher fee?

Responses: Very beneficial 33%; Beneficial, Somewhat beneficial and Not that beneficial all at 22%.

Question 8: What is the value of reduced cost of compliance?

Responses: Very beneficial 33%; Beneficial 44%; Somewhat beneficial 22%

Question 9: How valuable is flexibility in permitting for emerging/experimental technologies?

Responses: Very beneficial 56%; beneficial 44%

Discussion: This was viewed as being most applicable to air regulation. Consistency in the review process in application of the flexibility is important.

Question 10: What grade would you assign to each of the programs in terms of how well they meet the need of your business in addressing your most pressing environmental issues?

Responses:

	A	B	C	D	F	Don't know/no opinion
Air	50	20	10	0	0	20
Geology	20	30	0	0	0	50
Hazardous Waste	0	60	20	0	0	20
Land Reclamation	10	70	0	0	0	20
Solid Waste	30	60	0	0	0	20
Water Protection	10	80	10	0	0	0
Water Resources	30	0	10	0	0	60

Question 11: On average, how many DNR meetings do you and/or your staff attend in a year?

Responses: >10 60%; 6-10 10%; 1-5 30%

Closing discussion:

- Our guests requested greater transparency to allow them to track the progress of regulatory initiatives. Making these more visible on the web site would be helpful.
- They enjoy the forums, but agree with the department's wish to have more interaction during these.
- They suggested that the department provide better mechanisms to get new ideas from external parties. As the regulated community, these participants and their peers have a viewpoint that could help the department.

Director Pauley thanked those who participated for their time and meaningful suggestions and ideas. She noted that the department would like to continue these meetings at least annually in order to promote the exchange of ideas.